

Research on the Development and Internationalization Strategies of Traditional Chinese Medicine (TCM) in Latin America

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Abstract

Driven by both the upgrading of global health needs and the increasing prominence of Traditional Chinese Medicine's (TCM) own advantages, the "going global" process of TCM continues to accelerate, and its international recognition is gradually improving. AgeClub data shows that the global TCM market size reached US\$29.1 billion in 2024, and is projected to grow at a CAGR of 5.1% from 2025 to 2034, with emerging markets becoming the core growth point for TCM companies going global. Latin America, as an emerging market that values traditional medicine and is rich in medicinal plant resources, has a high degree of synergy with China's TCM industry and has become a "new blue ocean" for TCM internationalization. In recent years, cooperation between China and Latin America in the field of TCM has deepened, with many countries signing cooperation agreements and establishing overseas TCM centers. Acupuncture and other TCM therapies have become widely popular locally. However, the expansion of TCM in the Latin American market still faces multiple challenges, including insufficient modernization, weak international competitiveness, and obstacles to market expansion. This article, based on the core viewpoints of the original text, systematically analyzes the fundamental conditions and existing problems of traditional Chinese medicine (TCM) in expanding into the Latin American market. Combining the realities of China-Latin America cooperation and the industry's development trends, it proposes targeted countermeasures and suggestions, providing theoretical support and practical guidance for seizing opportunities in the Latin American market, solving development challenges, and promoting the high-quality internationalization and development of TCM.

Keywords

Traditional Chinese Medicine; Latin American Market; Internationalization; Development Dilemmas; Countermeasures and Suggestions.

1. Introduction

As an important carrier of excellent traditional Chinese culture, Traditional Chinese Medicine (TCM) embodies thousands of years of health wisdom of the Chinese nation. Its diagnostic and treatment philosophy of "treating according to syndrome differentiation and addressing both symptoms and root causes," and its natural and green product characteristics, are highly compatible with the global trend of upgrading health concepts and increasing demand for chronic disease prevention and control. In recent years, with the in-depth implementation of the "Healthy China" strategy, the pace of TCM inheritance, innovation, and development has accelerated. "Going global" has become an important path to promote the high-quality development of the TCM industry and spread excellent traditional Chinese culture. From a global perspective, TCM has been incorporated into the healthcare systems of many countries, and the World Health Organization has repeatedly promoted the inclusion of traditional medicine in the global health governance framework, creating a favorable international environment for the internationalization of TCM.[1-2]

Currently, the global TCM market presents a development trend of "steady consolidation of traditional markets and rapid rise of emerging markets." While traditional markets like Europe and the United States started earlier, their market structures are largely established, and competition is increasingly fierce. Meanwhile, emerging markets such as Latin America and Africa, with their natural affinity for traditional medicine, abundant medicinal resources, and vast market potential, have become new avenues for the internationalization of TCM. Latin America, encompassing 33 countries and regions with a population exceeding 600 million, sees a widespread emphasis on the inheritance and application of traditional medicine. Furthermore, its medicinal plant resources are similar to those in China; for example, herbs like Danshen, Astragalus, and Mentha are widely cultivated in Latin America, providing a solid resource foundation for Sino-Latin American TCM cooperation.[3]

In recent years, the comprehensive strategic partnership between China and Latin America has continued to deepen, with TCM becoming an important bridge for cultural exchanges and economic and trade cooperation. The two sides have signed multiple TCM cooperation agreements, established several overseas TCM centers and Confucius Institute TCM classrooms, and issued the "Special Declaration of China and the Community of Latin American and Caribbean States on Strengthening Cooperation in Traditional Medicine," clarifying the key directions and objectives of Sino-Latin American TCM cooperation. At the clinical application level, Traditional Chinese Medicine (TCM) therapies, represented by acupuncture, are quite popular in Latin America. Universities in countries like Brazil and Cuba have established courses in acupuncture and TCM health preservation, cultivating a group of local TCM professionals. Argentina and Chile have also successively promulgated regulations on herbal medicine to standardize the use and management of TCM products. In March 2025, the Brazil-China International Cooperation Base for Traditional Chinese Medicine was established on Oriental Street in São Paulo, Brazil. Spanning nearly 2,000 square meters, the first floor houses a pharmacy and training center, displaying products from several time-honored Chinese brands such as Foci Pharmaceutical. It has become a landmark of traditional Chinese culture showcasing the characteristics of TCM in South America, further promoting the popularization and development of TCM in Latin America.[4]

Although Sino-Latin American TCM cooperation has a solid foundation and broad prospects, the expansion of TCM in the Latin American market still faces many constraints, such as insufficient modernization levels, weak international competitiveness, and poor market adaptability. These problems seriously hinder the large-scale and standardized development of TCM in Latin America. Currently, academic research on the internationalization of Traditional Chinese Medicine (TCM) largely focuses on the European and American markets, with a relative lack of systematic research on Latin America, a "new blue ocean," particularly in-depth discussions on the challenges and solutions for Sino-Latin American TCM cooperation. Based on this, this paper, building upon the core viewpoints of the original text and supplementing them with relevant data, case studies, and theoretical support, systematically analyzes the existing problems in TCM's expansion into the Latin American market and proposes practical countermeasures to help my country seize opportunities in the Latin American market and promote the high-quality development of TCM's internationalization.[5]

2. Basic Conditions for TCM's Expansion into the Latin American Market

The rapid start and gradual development of TCM in the Latin American market are inseparable from the solid foundation of resources, concepts, policies, and markets between China and Latin America. These basic conditions provide important support for TCM to seize opportunities in Latin America's "new blue ocean" and achieve international expansion.

(1) Strong Resource Compatibility and Huge Cooperation Potential Located in the tropics and subtropics, Latin America has a humid climate, diverse terrain, and abundant medicinal plant resources, making it one of the world's most important treasure troves of medicinal plants. According to incomplete statistics, Latin America boasts over 50,000 species of medicinal plants, many of which are identical or similar to Chinese medicinal herbs, such as *Salvia miltiorrhiza*, *Angelica sinensis*, *Astragalus membranaceus*, *Glycyrrhiza uralensis*, and *Mentha haplocalyx*, all of which can be cultivated locally in Latin America. This high degree of resource compatibility not only reduces the raw material transportation costs for TCM products entering the Latin American market but also facilitates joint development of TCM resources and collaborative industrial chain development between China and Latin America.[6]

Meanwhile, after years of development, China's TCM industry has formed a complete industrial chain covering planting, processing, research and development, production, sales, and services, possessing mature experience in medicinal herb cultivation techniques, processing techniques, and TCM diagnosis and treatment services. While Latin America is rich in medicinal resources, it lacks advanced processing technology and research and development capabilities, with most medicinal plants exported only as raw materials, resulting in low added value. The complementarity between China and Latin America in TCM resources and industrial technology lays a solid foundation for in-depth cooperation and mutual benefit, indicating enormous potential for collaboration.

(2) High Acceptance and Strong Market Demand for Traditional Medicine Latin American countries have a long history of using traditional medicine. Local people have a high acceptance and recognition of natural medicines and traditional treatment methods, which aligns well with the principles of Traditional Chinese Medicine (TCM) – "natural and green, based on syndrome differentiation and treatment." Unlike Western countries that over-rely on chemical drugs and hold prejudices against traditional medicine, Latin American people have developed a habit of using medicinal plants to treat diseases and regulate their bodies through long-term practical experience, providing a solid foundation for the promotion and popularization of TCM in Latin America.[7]

From a market demand perspective, Latin America faces numerous health challenges, including a high incidence of chronic diseases, uneven distribution of medical resources, and rising medical costs. TCM possesses unique advantages in chronic disease prevention and control, health maintenance, and rehabilitation, effectively compensating for deficiencies in the local healthcare system. For example, Latin America has a high incidence of chronic diseases such as hypertension, diabetes, and arthritis. TCM therapies such as acupuncture, massage, and herbal remedies are highly effective in alleviating chronic disease symptoms and improving patients' quality of life, and are widely welcomed by the local population. Furthermore, with the improvement of economic development in Latin America and the increasing health awareness of the public, the demand for health preservation and sub-health conditioning services continues to grow, further expanding the market space for traditional TCM in Latin America.

(3) Deepening China-Latin America Cooperation and Strong Policy Support

In recent years, the comprehensive strategic partnership between China and Latin America has continued to strengthen, and cooperation in areas such as trade, culture, and health has deepened, providing a favorable political environment and policy support for TCM cooperation. The Chinese government attaches great importance to the international development of TCM, incorporating its "going global" strategy into the "Belt and Road" initiative, and actively promoting China-Latin America TCM cooperation. It has signed TCM cooperation agreements with several Latin American countries, including Brazil, Cuba, Argentina, and Chile, clarifying the key areas of cooperation in TCM cultivation, research and development, talent training, and clinical application.

Latin American governments have also introduced relevant policies to support the introduction and development of TCM. For example, Brazil and Cuba have registered Chinese medicines as pharmaceuticals and formulated relevant regulations for market access, import, and sales management; Argentina and Chile have promulgated regulations on herbal medicines to standardize the use and management of medicinal plants; and universities in Brazil, Cuba, and other countries have offered courses in acupuncture and TCM health preservation to cultivate local TCM talent. In 2023, China and Latin America issued the "Special Declaration of China and the Community of Latin American and Caribbean States on Strengthening Cooperation in Traditional Medicine," further clarifying the strategic direction of China-Latin America cooperation in traditional Chinese medicine (TCM) and providing important policy guarantees for the standardized development of TCM in the Latin American market. Meanwhile, the numerous overseas TCM centers and Confucius Institute TCM classrooms established by China in Latin America have also provided important platforms for the dissemination of TCM culture, technological exchange, and talent cultivation, promoting the popularization and development of TCM in Latin America.

3. Major Problems Facing the Development of Traditional Chinese Medicine in the Latin American Market

(1) Insufficient Modernization. First, the scientific verification is lagging behind. Eastern and Western medicine usage habits and philosophies differ greatly. The dialectical treatment and compound prescriptions of traditional Chinese medicine differ significantly from the Western pursuit of precise treatment with single active ingredients. International recognition of drug efficacy usually requires scientific verification and standardization. Traditional Chinese medicine, often described as "unclear, incomprehensible, and difficult to understand," struggles to meet the requirements of the medical community based on modern scientific standards. Limited international evidence for evaluating safety and efficacy hinders the promotion of traditional Chinese medicine in Latin America. For example, in September 2024, Brazil issued a resolution setting a three-year trial period for traditional Chinese medicine products to ensure that the mechanisms of action are verified. Similarly, while Mexico has granted acupuncture legal status, the application of Chinese herbal medicines and prepared Chinese medicines is not yet legally permitted; they can only be used as health products and functional foods. Research by the China Academy of Chinese Medical Sciences indicates that many users in Latin American countries do not have a comprehensive understanding of traditional Chinese medicine theory, their treatments tend to be Westernized, and acupuncture, massage, and cupping are often used independently, making it difficult to achieve optimal efficacy. Second, there are significant barriers to market registration. Latin America comprises numerous countries with vastly different pharmaceutical regulations and approval processes. Most lack registration regulations specifically for traditional Chinese medicine (TCM), leaving no suitable category for registering TCM preparations. Furthermore, the review process for new drug applications is lengthy, often taking several years, and any slight error at any stage can lead to rejection. For example, products like Compound Danshen Dripping Pills, submitted to the US FDA years ago, are still in clinical trials. Currently, only Cuba and Brazil in Latin America register TCM as pharmaceuticals and have regulations governing its market entry, import, and sale. Moreover, TCM drug labeling standards vary across different language-speaking countries, particularly in Latin America where numerous languages exist. This involves not only accurate language translation but also the presentation of crucial information such as dosage, indications, and contraindications, posing a significant risk of non-compliance. As pharmaceuticals, TCM preparations also face the challenge of international drug certification, including consistency

evaluation of clinical trial data and efficacy assessments, for which a data sharing mechanism has not yet been established between China and Latin America.

(2) Weak International Competitiveness. One issue is inadequate intellectual property protection. The Patent Law still applies the examination standards for Western medicine or compound drugs when handling patent applications for traditional Chinese medicine (TCM), resulting in a patent grant rate significantly lower than the global average for invention patents. For example, the ancient and widely disclosed nature of TCM conflicts with the "novelty" requirement. Studies indicate that over one-fifth of TCM patent applications are rejected because applicants had published papers or books before filing. The Guangdong Provincial Committee of the China Democratic National Construction Association also pointed out that the excessive number of invalid, expired, and traditional complex TCM formulas in the TCM field leads to unsatisfactory protection and fails to meet international competitive demands. Intellectual property rights also face serious risks of international loss. The *Health News** reported that some ancient classic formulas are arbitrarily disclosed without corresponding protection, or even patented by foreign countries first. For example, Japan successfully applied for four compound formulas with peony as an active ingredient in the United States, and South Korea applied for and received patents for inventions such as Niuhuang Qingxin Liquid in multiple countries, hindering the international expansion of my country's TCM industry. The Supreme People's Court's Intellectual Property Court found that PCT applications in the global TCM field account for less than 1% of the total number of domestic TCM applications, indicating that the vast majority of TCM companies choose to abandon the international market. Second, it faces strong competition from Japan and South Korea. my country's traditional Chinese medicine (TCM) industry is characterized by being "large but not strong," reflected in the awkward situation of "originating in China, flourishing in South Korea, and bearing fruit in Japan." TCM's attempt to penetrate the Latin American market faces strong resistance from Japan and South Korea. Taking the export of prepared Chinese medicines as an example, statistics from the China Pharmaceutical Promotion Association show that Japan accounts for 80% of the world market share, South Korea 15%, while China only accounts for 3%-5%. Industry insiders point out that the "internationalization of Chinese medicine" that domestic TCM companies have been advocating for many years is evolving into "internationalization of raw Chinese medicinal materials." In 2023, the Japanese Kampo giant Tsumura & Co. attempted to acquire Shaanxi Ziguang Chenji Pharmaceutical, a century-old Chinese medicine brand, which attracted widespread attention. Although the acquisition was ultimately halted, it is now widely acknowledged that Chinese Kampo is continuously becoming "Japanized," which will significantly weaken my country's market advantage in the geographical indication of Chinese medicinal materials. Furthermore, Japan and South Korea also highly value the Latin American TCM market, and by strictly regulating the quality management standards of Kampo medicine production to reduce the risk of "arbitrariness" due to human factors, they are my country's biggest competitors.

(3) Market expansion is hindered. First, the issue of raw materials is prominent. The quality of Chinese medicinal herbs is the lifeline of the traditional Chinese medicine (TCM) industry and must meet the safety standards of Latin American countries. With wild medicinal herbs being increasingly depleted, driven by economic factors, some merchants are using large amounts of chemicals in the artificial cultivation of Chinese medicinal herbs, leading to frequent problems such as pesticide residues, excessive heavy metals, and excessive sulfur fumigation. This has resulted in quality criticism of Chinese TCM exported overseas. According to a report in the *People's Daily*, compared with the EU's maximum residue standards for pesticides, some Chinese medicinal herb samples have pesticide residues exceeding the standard by tens or even hundreds of times, posing a significant health risk. Geng Funeng, a deputy to the National People's Congress, pointed out that due to low levels of standardization and planning, the

quality of TCM suffers from poor controllability and weak traceability, with many enterprises and regions only just beginning to implement quality traceability. There are also differences in the quality standards of prepared Chinese medicines between my country and the international market, with different focuses on drugs and active ingredients, affecting acceptance in Latin America, allowing Japanese and Korean "foreign TCM" to flood the market. Considering the geographical distance between China and Latin America, temperature fluctuations during the cross-border transportation of TCM may also affect the quality of the finished product. Secondly, there is the challenge of market adaptability. Traditional Chinese medicine (TCM) has not yet been well integrated with the healthcare systems and market preferences of Latin American countries, increasing the difficulty of its promotion in these regions. For example, Brazil has over 10,000 acupuncturists, but only 500 provide free treatment within the unified healthcare system, failing to meet the public's demand for acupuncture and hindering the accessibility of TCM. Mexico's healthcare system is primarily based on public health insurance, but TCM services are not yet included in traditional and complementary therapies, and few families choose them. TCM has rich cultural connotations, requiring high-quality translation of texts and terminology. However, "Landy Research" points out that some TCM companies, when going global, simply copy domestic terminology in their advertising and promotion, failing to understand the local disease spectrum, leading to difficulties in gaining local consumers' acceptance of the efficacy. Furthermore, Latin American cultures value the aesthetics and accuracy of products, but Chinese TCM products often suffer from large dosages, difficulty in administration (sometimes requiring decoction), and unclear ingredients, which not only hinder market expansion but may also lead to violations.

4. Countermeasures and Recommendations

(1) Service Export, Aligning with International Standards Support joint pharmacological, toxicological, and clinical research by Chinese and Latin American universities, research institutions, and enterprises to reveal the mechanisms of action of traditional Chinese medicine (TCM) and fundamentally enhance its credibility. Deepen international standardization efforts, optimize the formulation and revision of national and industry standards for TCM, and promote the standardization system in light of Latin American realities. Leverage cultural exchange to conduct public awareness campaigns on international social media, create exemplary cases, and increase the acceptance of TCM theories. Participate in the formulation and revision of Latin American registration regulations, support enterprises in expressing their interests, and strive to simplify approval processes. Promote the establishment of a mutual certification mechanism for drugs between China and Latin America, facilitate the sharing of clinical data, and increase the likelihood of TCM being marketed.

(2) Strengthening both internal and external capabilities to enhance international competitiveness. Develop patent examination standards applicable to TCM as soon as possible, flexibly adjust standards such as "novelty," and improve the success rate of approval. Establish a patent clearance mechanism for TCM, encourage enterprises to conduct innovative research on large-component formulas, improve patent quality, and enhance the level of modern application. Encourage enterprises to actively apply for PCT and foreign intellectual property rights, invite experts to explain precautions and procedures, and combat preemptive registration and infringement in the international market. Utilize artificial intelligence and gene technology to increase the research and development of new TCM drugs and create internationally influential TCM brands. Leading international exchanges in Traditional Chinese Medicine (TCM), promoting close cooperation among countries with traditional medicine traditions, and consolidating TCM's voice in the international arena.

(3) Developing the industrial chain by adapting to local conditions. Fully utilize Latin American resources to cultivate medicinal herbs, accelerate the establishment of TCM cooperation bases and overseas centers, and establish a complete industrial chain encompassing cultivation, extraction, research, manufacturing, and sales. Promote green planting and breeding technologies, vigorously strengthen TCM quality testing and traceability, and establish comprehensive quality archives based on blockchain technology. Strengthen cooperation with Latin America in the formulation of quality standards, and encourage overseas enterprises to proactively align with international standards. Strengthen political lobbying for legislation, striving to formally incorporate TCM into the medical security system. Strengthen market research, develop products and services targeting high-incidence diseases, and formulate localized promotional materials. Improve product design, enhancing ease of use and packaging adaptability.

5. Conclusion

Latin America, as an emerging market that values traditional medicine, possesses abundant medicinal plant resources, and has enormous market potential, has a high degree of compatibility with China's TCM industry and has become a "new blue ocean" for the internationalization of TCM. In recent years, cooperation between China and Latin America in traditional Chinese medicine (TCM) has deepened, and the recognition of TCM in the Latin American market has gradually increased. Acupuncture and other TCM therapies have become widely popular. The establishment of the Brazil-China International Cooperation Base for TCM in 2025 will further promote the dissemination and development of TCM in Latin America. However, the expansion of TCM in the Latin American market still faces multiple challenges, including insufficient modernization, weak international competitiveness, and obstacles to market expansion. These problems seriously restrict the large-scale and high-quality development of TCM in Latin America.

To seize the opportunities presented by the "new blue ocean" of Latin America and promote the international development of TCM, my country needs to adhere to the development direction of "modernization, standardization, and localization" and adopt targeted countermeasures to solve development problems. This includes: overcoming the bottlenecks in TCM modernization by providing services overseas and aligning with international standards; enhancing TCM's international recognition by improving both internal and external capabilities, strengthening intellectual property protection, enhancing innovation and R&D, and strengthening brand building; and optimizing market expansion strategies by adapting to local conditions, promoting the localization of raw materials and markets, and adapting to the needs of the Latin American market. Meanwhile, relying on the comprehensive strategic partnership between China and Latin America, we should deepen cooperation in traditional Chinese medicine (TCM) between the two countries, strengthen talent cultivation, technological exchanges, and cultural dissemination, and promote the popularization and development of TCM in Latin America.

The internationalization of TCM is a long-term and arduous task. Seizing the opportunities presented by Latin America as a "new blue ocean" will not only promote the high-quality development of the TCM industry, but also deepen cultural exchanges and economic and trade cooperation between China and Latin America, spread excellent traditional Chinese culture, and enhance my country's cultural soft power and international influence. In the future, my country should continue to focus on the Latin American market, continuously address development challenges, optimize cooperation strategies, and promote deeper and more practical cooperation in TCM between China and Latin America. This will allow TCM, a treasure of excellent traditional Chinese culture, to contribute to the health and well-being of the people

of Latin America and inject new impetus into the high-quality development of TCM internationalization.

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